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ARE COUNTERFEITS FAIR?

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Abstract

Consumers have numerous options to select and buy various kinds of apparel and accessories. Depending on stores or shops, offers branded and counterfeit apparel and accessories to the consumers to buy from. This availability of wide varieties of product confuses and bewilders the average consumer. Counterfeit products are imitations of brand name products. They are the look-alikes or spell alike of actual brand products. Counterfeit products tend to have fake company logosand brands. In case of goods, it results in patent infringement or trademark infringement. Though prohibited, production and availability of counterfeit is growing by leaps and bounds. The growth in counterfeiting clearly has an economic impact in the marketplace and on the manufacturers of brand products and social status of the consumers. This paper discusses various pertinent issues like factors affecting consumer buying decisions and to make consumers aware of taking wise buying decisions, opinions of various stakeholders in the process of branding and counterfeiting. The results suggest that most important factors that influence a consumer's final buying decision are the price and quality of the product but those who are not able to afford the branded apparel and accessories select to buy counterfeit apparel and accessories as they can satisfy their social needs. The result of the study also indicates that strong and powerful brand in the market are those brands whose counterfeits are available on high rate irrespective of its illegitimate. The production of counterfeit apparel and accessories is a crime and its sales are serious threat to both the manufacturers of the branded apparel and

accessories and for the welfare of the consumers who purchase counterfeit apparel and accessories. Through this study, an attempt is been made to understand need for branding so that the manufacturers, retailers, and ultimate consumers remain unaffected by counterfeit products.

Introduction

The rapid developments in the field of fashion have led to enormous growth in the textile market throughout the globe which has led to availability of varieties of fabrics, products and textile in the market. This availability of wide varieties of product confuses and bewilders the average consumer. Therefore, it becomes difficult for consumers to always take correct decision while buying every time. Branding has now become important so as to make consumers aware of quality and variety of products available in the market. A brand is a name, symbol, or other feature that distinguishes a manufacturer's goods or services in the marketplace. A brand fosters brand and consumer loyalty, particularly strong brands can establish the prevalence of premium prices on the market and soften consumer reactions to price changes. This is more prevalent in brand-oriented buyers who are more concerned with brands than prices and are more resilient when it comes to changes in the competitive scenario. This decreased sensitivity to price changes makes them more valuable as consumers. But some consumers, due to dearth of knowledge and commandment and more sensitive to price changes than that of concerned quality product, small scale manufacturers try to imitate original branded apparel and accessories so that they also make profit by plagaring the brand and consumers get the product what they want leading to availability and increasing sales of counterfeits of branded apparel and accessories. Counterfeits products are, “products which infringe the rights of a trade mark holder by displaying a trade mark which is either identical to a protected trade mark or by using an identification mark which cannot be distinguished in its essential aspects from such trade mark”. They are the look-alikes or spell alike of actual brand products and tend to have fake company logos and brand name of the reputed brand companies. The growth in counterfeiting clearly has an economic impact in the market place through manufacturers of brand products and consumer buying behavior. The

growing illegimate activity of counterfeiting and its harm on ecology and economy of our country has led to the thrust of this research.

The objective of the study was to study the current status, availability and increasing sales of counterfeit apparel and accessories of well-known brands. As the study symbolizes textile world, topic chosen to carry out the research specifically is on apparel and accessories and their counterfeit products. Also, counterfeits in currency, apparel and accessories rank the largest in the market share. Through this study, an attempt is been made to stop the illegimate activity by combating counterfeit apparel and accessories, so that the manufacturers, retailers, and ultimate consumers remain unaffected by counterfeit apparel and accessories.

Methodology:

Keeping textile background in mind, the researcher has chosen to do a study on apparel and accessories. The study was carried out in two phases' viz. preliminary study on brands and counterfeits through informal interview.The research study included ten well known international brands that are well established in India for at least ten years. And whose counterfeits are available in the market. The study employed multimethod, face – to – face interview, questionnaire, and observation method to collect data by using random, purposiveand snowball sampling techniques. The study included multi agents as amongst the participants somewhere brand franchise, brand managers, brand representatives, counterfeit shop owners or street vendors. In the first phase, preliminary study was conducted on availability and the prices at which they are available. Observations were made by the researcher on the counterfeit apparel and accessories available in the market for the mobility of the research. The researcher have also then taken informal interview with ten brand stores participants whose counterfeit apparel and accessories were been observed during preliminary study for counterfeit to know their opinion with regards to same. Also an acceptance letter was taken from each of the brands to affirm their valuable participation and confirmation in the study.

In the second phase, based on the inclusion criteria, ten well known international brands since or more than ten years in India whose counterfeits were observed during the preliminary study was been undertaken. The study included puma, nike, adidas, united colors of benetton, levis, lee, converse, fila, us polo, reebok branded and counterfeit apparel and accessories. The study included interviewing and questionnaring ten brand outlets and twenty counterfeit shops. The structured questionnaired tool was administered with some open ended questions while some

where close ended questions. The participants included in the study were based on the need of the study and the feasibility of the researchershopkeepers/ street vendors. Twenty counterfeit shops/ street vendors who were the owners for the same were selected for the study. The owners included in the study were employed with face – to – face interview, questionnaire, observation method to collect data by using random, snowball, and purposive sampling techniques. Responses were tabulated and analyzed.

Results and discussion:

There are varieties of products that are available in the market. Varieties of products in the markets make consumers buying decision in perplexity. The priority need of the product and the characteristic feature required in the product makes consumer incline towards to buy a particular product. The never-ending need of the consumers and surplusneeds of the brands makes consumer to buy counterfeit apparel and accessories.

Various aspects of the various brands and counterfeit apparel and accessrires were assessed through the questionnaire schedule and are presented below:

1. Products available

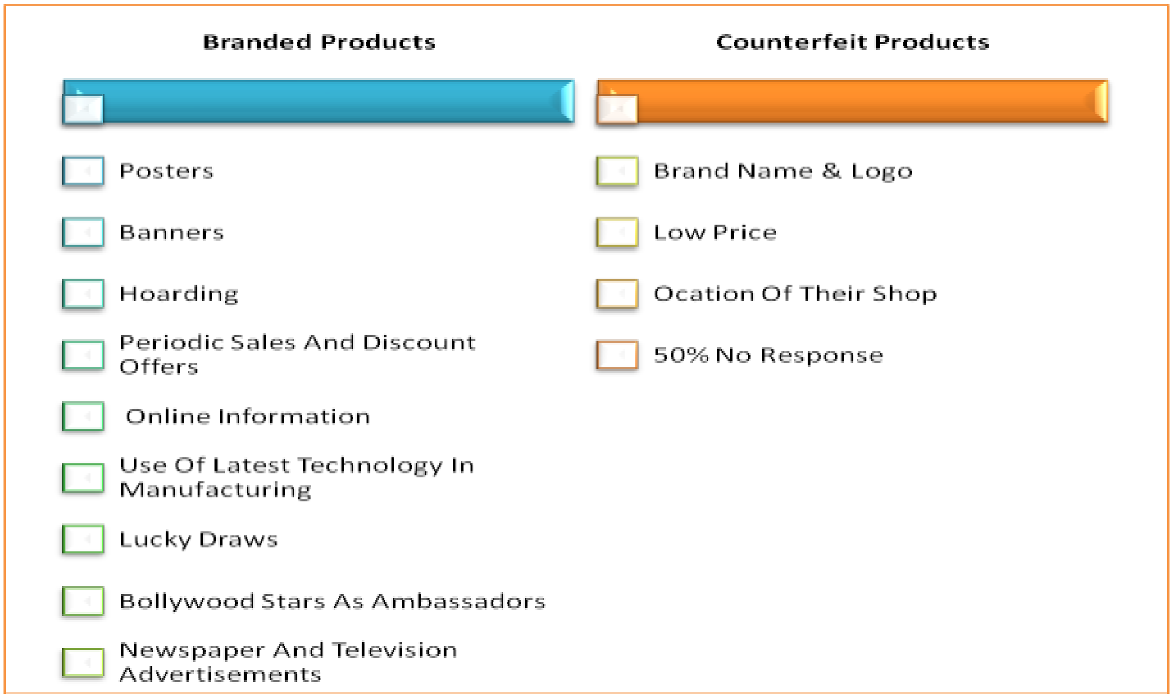
all brands in the study are manufacturers of apparel and accessories for both the sexes. Also two brands included in the study also manufacture sports equipment and hardware. All the shop included in the study sells apparel, accessories and electronic gadgets. The apparel and accessories were counterfeits of actual brands.

2. Factors of product required by consumers



Marketing strategy

To increase the sales of the product various kind of marketing strategy is been used depending on the product to be sold or advertised,

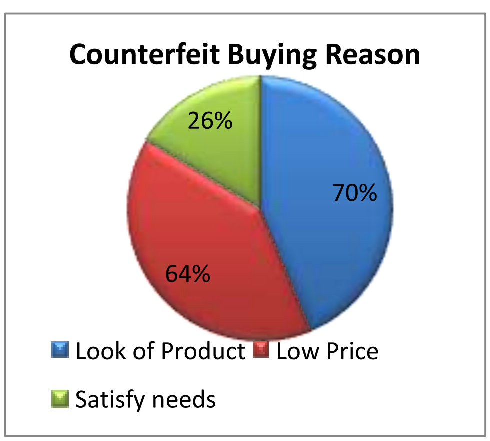


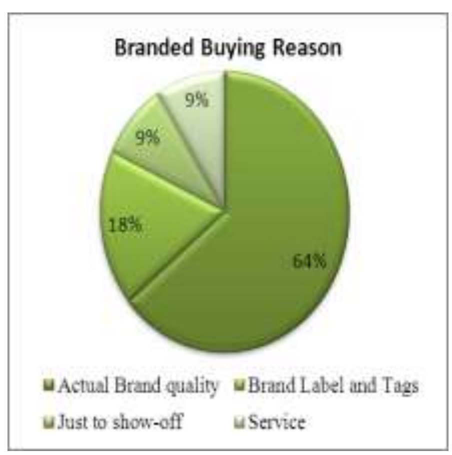
1. **Consumer satisfaction**

On basis of the responses, 100% consumers are fully satisfied with the products brands provide. The indemnity lies in no complaints from consumer or negative feedback from the consumers, according to the participants, 90% consumers are satisfied with the product they purchase from the shop whereas 10% shops are unaware with regards to satisfaction of consumers.

2. **Difference in product quality of branded and counterfeit apparel and accessories**

The respondents feel that each consumer depending on his / her needs change their buying decision and the parameters to buy any particular product changes with the surrounding factors. Respondents say that, it depends on consumers which kind of product they want to buy and whether it's branded or counterfeit.





3. **Socio-economic status of the consumers**

According to respondents, consumers of middle, higher middle and high socio-economic status can buy apparel and accessories depending on their buying behaviour, affordability and the end use. From the participants view, 45% and 40%of the consumers belong to the higher middle class and middle socio-economic class. Whereas only 10% belong to middle low class and 5% of the consumers belong to low and high class.

4. **Opinion on production of counterfeit apparel and accessories**

Brand store managers were against the production of counterfeit apparel and accessories as it is illegal and harming the consumers as well as the brand image, most of the respondents (65%) oppose production of counterfeit apparel and accessories. On the contrary 20% of respondents are in favor of production of counterfeit apparel and accessories. 15% of respondents did not express any opinion.

5. **Effect of counterfeit on sales of brand**

it was viewed by all the respondents that the sales of the brands are affected by the production, availability and sales of the counterfeit apparel and accessories. The reason being cheaper products of the brand name with inferior quality portrays negative image on the brand., it was noted that 55 % of the respondents feel that the sales of brand gets affected due to production and sales of counterfeit apparel and accessories whereas 45% of respondents feels that the brand does not get affected.

6. **Reasons for sales of counterfeit apparel and accessories**

There are multiple responses by the participants but most important reason is availability of product on low price by 65%, lack of knowledge by 30%and 5% by growing market., there are multiple reasons by the respondents for increasing sale of counterfeit apparel and accessories is low price (55%), lack of awareness (40%), logo, and fashion trends (5%).

Conclusion:

The study indicates that the primary reasons of the increasing availability and sale of counterfeit products is due to low awareness level amongst consumers. The study concludes that, if there are changes less than nine in the product from the actual branded one , then the product is counterfeit. The study also closesthat strong and powerful brand in the market are those brands whose counterfeits are available on high rate irrespective of its illegitimate. The production of counterfeit apparel and accessories is a crime and its sales are serious threat to the manufacturers

of apparel and accessories and also for the welfare of the consumers who purchase counterfeit apparel and accessories. This study is a stepping stone towards combating counterfeit apparel and accessories, so that the manufacturers, retailers, and ultimate consumers remain unaffected by counterfeit apparel and accessories.

This study is also an initiative for all the future entrepreneurs, designers, and brand houses as to understand the need of branding. The study also concludes that thoughillegal, production, availability and sales of counterfeit apparel and accessories are still continuing. So to considerate ecological concerns, counterfeiting should be stopped by increasing the awareness regarding counterfeiting and its impact so that consumers are not taken advantage for and take correct buying decisions for themselves.